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October 7, 2021

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The Honorable Miguel Cardona Secretary U.S. Department of Education 400 Maryland Ave, SW Washington, DC 20202

Dear Secretary Cardona:

We write to request that the U.S. Department of Education (Department) expedite its publication of a statutorily required report on its experimental site entitled "Direct Loan Program: Limiting unsubsidized loan amounts." The experimental site was created in 2011 and the Department has yet to submit a report to Congress on its results, despite a clear statutory mandate to do so regularly. This noncompliance with a statutory requirement raises several serious concerns, including the Department's ability to manage the experimental site program effectively.

Section 487A of the *Higher Education Act of 1965* (HEA) provides the Department with the extraordinary authority to waive statutory and regulatory requirements to run experiments that have the potential to enhance program delivery, improve student outcomes, and reduce the administrative burden on students and institutions. The Department has four active experimental sites and has ended 13 experiments in the past five years.² Whenever the Department decides to conduct an experiment, it is required under Section 487A(b)(2) of the HEA to "evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation to the authorizing committees." ³

As a condition of having this authority, Congress requires the Department to submit biennial reports so it can learn from the experiments and consider making statutory changes to the HEA

¹ Postsecondary Educational Institutions Invited To Participate in Experiments Under the Experimental Sites Initiative, 76 Fed. Reg. 66698 (Oct. 27, 2011), https://www.federalregister.gov/documents/2011/10/27/2011-27880/postsecondary-educational-institutions-invited-to-participate-in-experiments-under-the-experimental#h-7; see also U.S. Dep't of Edu. Website, Experimental Sites Analysis Reports, https://experimentalsites.ed.gov/exp/analysis.html

² U.S. Dep't of Edu. Website, Experiments, https://experimentalsites.ed.gov/exp/approved.html

³ 20 U.S.C. §1094a(b)(2).

to improve outcomes for students and taxpayers. When the Department fails to submit such reports, Congress is significantly limited in its ability to assess the viability of these innovative delivery models. More importantly, taxpayer dollars are wasted without such regular evaluation and reporting to Congress.

The Department has never submitted a report to Congress on the Direct Loan limit experiment, despite the fact that at least four reports should have been submitted to date. Moreover, it has only submitted one report to Congress on any of its experimental sites in the past ten years.⁴

There is bipartisan consensus in Congress and among the American people that student loan borrowing is excessive. Any policy option that curbs excessive borrowing should be considered to ensure students are not straddled with debt they cannot repay. In light of this, we request that the Department prioritize the publication of the "Direct Loan: Limiting unsubsidized loan amounts" experiment to inform Congress about the viability and potential benefits of providing institutions of higher education with the authority to limit student loan borrowing. Additionally, we request that the Department provide our staff with regular updates about the status of the report until it is submitted to Congress.

We thank you for your assistance with this important issue. Please contact Chance Russell (chance.russell@mail.house.gov) with the Committee staff and Connor Trossian (connor.torossian@mail.house.gov) with Rep. Grothman's staff if you have any questions about this requet.

Sincerely,

Virginia Foxx Ranking Member

Virginia Foxos

U.S. House Committee on Education and Labor

Glenn Grothman Member of Congress

Glenn Grothmun

⁴ U.S. Dep't of Edu. Website, *Experimental Sites Analysis Reports*, https://experimentalsites.ed.gov/exp/analysis.html